

LAND BOARD AGENDA ITEM

September 15th, 2008

**SET MINIMUM BID FOR LAND BANKING PARCELS #38, 529, 530 &
531
YELLOWSTONE COUNTY**

| | |
|----------------------------------|--|
| Seller: | State of Montana, Department of Natural Resources and Conservation |
| Nominator: | Parcel 38 - Lessees, Paul & Janell Mushaben Parcels 529, 530 & 531 - DNRC, Southern Land Office |
| Location: | Parcel 38 - The parcel is located approximately 10 miles north of Billings. Parcel 529 – located 15 miles north of Billings Heights, 1/2 mile east of Highway 87. Parcel 530 – located 8 miles northeast of Billings Heights, 3 miles east of Highway 87. Parcel 531 – located 7 miles northeast of Billings Heights, 3 miles east of Highway 87. |
| Property Characteristics: | Parcel 38 - This 40 acre grazing tract is rated for 9 AUMs. Even with county road access it has not generated competitive bidding due to the marginal grazing nature of the tract. Parcel 529 - the parcel is leased for grazing, with slightly above average productivity. Parcels 530 & 531 - the parcels are leased for grazing, with below average productivity. |
| Access: | Parcel 38 – Property has access via Mailbox Road, which is a county road. Parcels 529, 530, & 531 - All parcels are surrounded by private deeded property; there is no legal public access to these parcels. |

Agency Recommendation:

Based on appraised values, the Director recommends the minimum bid amounts as follows:

| Sale # | # of Acres | Appraised Value Without Access | Appraised Value With Access | Recommended Minimum Bid | Trust |
|---------------|-------------------|---------------------------------------|------------------------------------|--------------------------------|---------------|
| 38 | 40 | N/A | \$72,000 | \$72,000 | Common School |
| 529 | 160 | N/A | \$70,400 | \$70,400 | Common School |
| 530 | 80 | \$32,000 | \$53,600 | \$53,600 | Common School |
| 531 | 80 | \$24,000 | \$30,000 | \$30,000 | Common School |